

LOUISVILLE METRO COUNCIL COMMITTEE MINUTES

SPECIAL - Budget

Tuesday, June 23, 2009

3:05 P.M.

Third Floor, City Hall

Present: **Chair:** **CM King**
 Vice-Chair: **CM Downard**
 Members: **CM Woolridge, CM Kramer, CM Butler, CM Heiner, CM Fleming,**
 CM Hamilton & CM Johnson

Absent: **CM Blackwell**

Also Present: **CM Ward-Pugh, CM Welch, CM Henderson, CM Green & CM Owen**

Chairman King began the meeting by introducing the members and non-members of the committee that were present. A quorum was established.

THIS IS CONSIDERED A SPECIAL COMMITTEE MEETING.

Pending Legislation

[R-69-04-09 A RESOLUTION PURSUANT TO CAPITAL ORDINANCE NO. 111, SERIES 2008 UNRESTRICTING \\$300,000 OF THE AQUATICS FACILITIES CAPITAL BOND PROJECT FOR PURPOSES OF AQUATICS IMPROVEMENTS IN SHELBY PARK.](#)

Status: In Committee - Held

Committee: Budget

Primary Sponsor: David Tandy

Motion to approve made by Mary C. Woolridge and seconded by Kelly Downard

CM King mentioned the item was held pending Parks & Recreation presenting a detailed plan of the aquatic improvements in Shelby Park. The Parks Department had made a presentation before the committee at the time of its re-scheduled return to the Budget Hearings. The committee was satisfied with the plan and stated Parks would return before the Budget Committee providing a detail expenditure of plan before disbursing the funds on the capital project.

By vote, the item was approved and sent to **CONSENT CALENDAR.**

VOTE - For: 8; Against: 0; Abstain: 0; Absent: 2

For: Kenneth C. Fleming, Jim King, Kelly Downard, Hal Heiner, Cheri Bryant Hamilton, Kevin Kramer, Mary C. Woolridge, Marianne Butler

Against: (None)

Abstain: (None)

Absent: Rick Blackwell, Dan Johnson

Motion to Recess was made by Cheri Bryant Hamilton and seconded Kelly Downard. Without Objection the Committee went into Recess at 3:15 P.M.

The Committee reconvened at 3:45 P.M.

[O-95-06-09 AN ORDINANCE RELATING TO THE 2009-10 CAPITAL BUDGET FOR THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT INCLUDING APPROPRIATIONS AND AUTHORIZATIONS OF FUNDS FOR GENERAL](#)

CONSTRUCTION, MAINTENANCE, REPAIR AND IMPROVEMENT OF THE FACILITIES AND ASSETS OF THE GOVERNMENT OF LOUISVILLE/JEFFERSON COUNTY AND OTHER LOUISVILLE METRO-SUPPORTED ACTIVITIES FOR 2009-10.

Status: In-Committee

Committee: Budget

Primary Sponsor: Jim King

Motion to approve made by Mary C. Woolridge and seconded by Cheri Bryant Hamilton

The committee reviewed the highlighted changes presented to them in outline form. (attached)

Motion to incorporate proposed amendments made by Jim King and seconded by Kelly Downard

Beth Stenberg, Metro Council Budget Staff, highlighted the proposed amendments to the Capital Budget.

- Metro Council
 - CIF Accounts shall be reviewed for reductions in January 2010 based on actual revenue versus forecasted revenue.
 - Metro Council Unnamed Projects – Includes expected sale of real estate deemed surplus during Fiscal Year 2009-10 but unallocated to other capital projects until this ordinance is amended
- Economic Development
 - West Market Street Corridor Renovation
- Parks & Recreation
 - Metro Spraygrounds – Long Run & Newburg Parks
- Housing & Family Services
 - Neighborhood House Debt Principal Payment
- Public Works & Assets
 - COOL Streetscape – West Broadway Intersection Modification
 - Hubbards Lane Sidewalk Project
- Louisville Zoo
 - The Mayor of Louisville is authorized to provide a Metro guarantee for up to \$3 million in debt to be borrowed by the Zoo Foundation, Inc.
- Waterfront Development Corporation
 - Riverview Park
- General Provisions
 - Under B – Louisville Metro, City of Louisville & Jefferson County Fiscal Court Capital Budget ordinances, unless those funds were originally appropriated from a Council Members Capital Infrastructure Fund or projects added to the Mayors Recommended Budget by the Metro Council
 - Under D – Upon project completion, as determined by the Director of Office Management & Budget, any unexpended funds shall lapse to the fund from which they were appropriated; however, all unused allocations from Capital Infrastructure Fund projects shall be returned to the Council Members unallocated Capital Infrastructure Fund
 - Under E - ...per Ordinance 45, 2008. Funds collected in excess of the annual debt service will be restricted for future bond or road development in accordance with the System Development Charge Ordinance.
 - Under F – System Development Charges collected, matching Louisville Metro funds, and/or bond proceeds will be spent on improvements to designated public roadways within the Transportation Benefit Districts in the approximate proportion to the funds collected by Zone.
 - Under G - \$2 million from the sale of surplus properties including 400 South 1st Street to be placed for sale by August 1, 2009
 - Under I – Except for the \$500,000 in revenue assumed in this ordinance from the sale of property, all proceeds from the sale of real property declared surplus by the Metro Council shall be appropriated into a project line in the Capital Cumulative Reserve Fund designated as Metro Council Unnamed Projects. No expenditures or appropriations may be made from this account without prior approval of the Metro Council through an ordinance separate from this or any future annual capital or operating budget.
 - Under K – Written quarterly reports of the status of all capital projects will be submitted to the Budget Committee

- no later than six weeks after each quarter ending September 30, December 31, March 1 & June 30
- Under L – the Louisville Metro Mayor, or his designee, shall seek proposals from qualified financing, risk management, or investment firms to assess and report to the Metro Council the utility, valuation, and marketability of Metro Governments infrastructure assets that generate gross revenues equal to or in excess of \$500,000 annually
- Under M - The Louisville Metro Mayor, or his designee, shall recommend \$1 million of CCRF projects previously appropriated to be reallocated by the Council to other projects during Fiscal Year 2009-10 through a budget amendment
- Under N - To the extent revenues exceed the revenue forecast presented on June 2, 2009, all Fiscal Year 2009 capital projects delayed or cancelled as a result of the fiscal 2009 spending restrictions shall be completed with those funds.
- Under O - Re-title CCRF project #168154, Parks Land Acquisition, previously appropriated to as follows: Waterfront Development Corp for Riverview Park Master Plan Implementation \$741,000; Public Works for Farnsley-Moreman \$700,000.
- Under P - Spending on software updates appropriated in this ordinance shall be deferred until the second quarter of Fiscal Year 2009-10.

Discussion occurred on various areas of the proposed amendments.

By voice vote, the amendments to the Capital Budget were approved.

Motion to recess the Special Budget meeting to allow the Regular Committee on Committees to meet was made by Kelly Downard and seconded by Jim King. By voice vote, the meeting recessed at 4:50PM.

Chairman King called the Special Budget meeting back to order at 5:15PM

Motion made to amend to increase Item #24 by \$100,000 and would not be expended unless the project is at least 30,000 square feet in size made by Mary C. Woolridge and seconded by Cheri Bryant Hamilton

Discussion occurred on the proposed amendment. By voice vote, the amendment was approved.

Motion to change language under the Public Works Section, Hubbards Lane Sidewalk Project, for a district specific intersection modification project, the Council District must fund the cost in excess of \$80,000 made by Hal Heiner and seconded by Kenneth C. Fleming. By voice vote, the amendment was approved.

Motion to amend the sidewalk project at Winchester to increase from 50,000 to 75,000 made by Mary C. Woolridge and seconded by Cheri Bryant Hamilton.

Without objection, the Special Budget meeting briefly recessed to allow the President to conclude the Committee on Committees meeting, as it had concluded with its Executive Session at 5:35PM. The Chairman, Jim King, called the Special Budget committee back into order at 5:37PM. Discussion continued on the Winchester sidewalk project proposed amendment. By roll call vote, the amendment failed.

VOTING RESULTS – For: 4; Against: 5; Abstain: 0; Absent: 1

For: Cheri Bryant Hamilton, Mary C. Woolridge, Marianne Butler, Dan Johnson
 Against: Kenneth C. Fleming, Jim King, Kelly Downard, Hal Heiner, Kevin Kramer
 Abstain: (None)
 Absent: Rick Blackwell

The committee voted on the ordinance as amended. By vote, the **AS AMENDED** version was sent to **OLD BUSINESS**.

VOTING RESULTS – For: 9; Against: 0; Abstain: 0; Absent: 1

For: Cheri Bryant Hamilton, Mary C. Woolridge, Marianne Butler, Dan Johnson, Kenneth C. Fleming, Jim King, Kelly Downard,

Hal Heiner, Kevin Kramer

Against: (None)

Abstain: (None)

Absent: Rick Blackwell

Please note the approved As Amended version as passed out of the committee is attached

[O-96-06-09 AN ORDINANCE RELATING TO THE 2009-10 OPERATING BUDGET FOR THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT INCLUDING APPROPRIATIONS AND AUTHORIZATIONS FOR OPERATION, MAINTENANCE, SUPPORT, AND FUNCTIONING OF THE GOVERNMENT AND ITS VARIOUS OFFICERS, DEPARTMENTS, COMMISSIONS, INSTITUTIONS, AGENCIES, AND OTHER METRO-SUPPORTED ACTIVITIES.](#)

Status: In-Committee

Committee: Budget

Primary Sponsor: Jim King

Motion to approve made by Mary C. Woolridge and seconded by Cheri Bryant Hamilton

Beth Stenberg, Metro Council Budget Staff, highlighted the proposed amendments to the Operating Budget.

- Part I. Appropriations/Authorizations – added was Federal American Recovery and Reinvestment Fund
- Metro Council
 - Under c – Any unexpended funds as of June 30, 2009 from the Neighborhood Development Fund shall not lapse but shall be carried forward into Fiscal Year 2009-10
 - Under d – All unexpended funds included in A.2.a. above as of June 30, 2009 shall not lapse, but will be carried forward into Fiscal Year 2009-10 for appropriations to be determined by the Metro Council. If any of those unexpended funds were the result of transfers from the Neighborhood Development Fund into the General Operations during Fiscal Year 2007-08 and Fiscal Year 2008-09 the remaining funds will be transferred back to the appropriate District Neighborhood Development Fund.
- Metro Corrections
 - Under d – All unexpended funds as of June 30, 2009 in the Newburg Ex-Offender Program shall be carried forward into Fiscal Year 2009-10.
- Economic Development
 - Under f – Of the \$1,047,600 appropriation to GLI, Inc. in D.1.a.(1) above up to \$611,100 may be expended through January, 2010, but future funding depends upon actual Metro revenue meeting or exceeding the Administration's revenue forecast presented on June 2, 2009. From the first quarter, 2009 funding, \$10,000 shall be set aside for GLI to develop a system for accumulating data to be used in determining prevailing wages in Jefferson County.
 - Under g – The Louisville Metro Council requests the Louisville Metro Mayor to renegotiate the lease(s)/agreements between Metro Louisville, Metro Development Authority and Downtown Development Corporation (DDC) to insure operating funds for DDC.
 - CM King mentioned he did not recall this being covered and will not include this language within his amendment
- Parks & Recreation
 - Under c - The unexpended balances in the individual District 1, 2, 3, 5, 6, 10, 12, 13, 14 and 24 Parks & Recreation Department activities/community events accounts if unexpended as of June 30, 2009, shall be carried forward into Fiscal Year 2009-10. In addition \$55,000 has been added in F.1.a.(1) for these events.
 - Under d - Included in F.1.a.(1) is \$200,000 and the Metro Council requires the Parks Department to issue an RFP for a marketing plan for the Iroquois Amphitheatre assuming the city provides a subsidy of no more than \$200,000.
- Housing & Family Services
 - Under e – All unexpended funds appropriated to Metro Housing Resource Center for District 1, 3, 5 or 6 as of June 30, 2009 shall be carried forward to Fiscal Year 2009-10.
 - Under f – Included in G. 1. a. (1) above is \$45,000 each for the Metro Housing Resource Center Program for

- Districts 1, 3, 4 and 5.
 - Under g - Included in G.1 a(1) is \$606,100 to maintain the 8 Social Services Coordinators assigned to the 8 Neighborhood Places.
- Public Health & Wellness
 - Under c - Included in H. 1. a. (1) above is \$20,000 to fund a Trans Fat Education/Assessment Program.
- Neighborhoods
 - Under e - I.1.a.(1) does not contain any funding for Brightside Inc. Additionally only \$1,355,550 of the funding contained in I.1.a.(1) may be spent through December 31, 2009.
 - Under f - A reorganization plan for the Department of Neighborhoods must be submitted by November 30, 2009. Future expenditures after December 31, 2009 are dependent upon Council approval of the reorganization and actual revenues meeting or exceeding the forecast assumed in this ordinance.
- Public Works & Assets
 - Under d - Included in J. 1. a. above, is adequate funding which shall be used for 3 junk pick ups (\$1,287,000) inside the USD in accordance with the schedule published in January 2009, 4 street sweeping inside the USD (\$_____) and 3 street sweepings outside the USD (\$102,000) during the 1st, 2nd and 4th quarters of Fiscal Year 2009-10.
- Office of Management & Budget
 - Under e - Included in L.1.a.(3) is \$1,400,000 of restricted revenue expected to be received from personal use of Metro vehicles of sworn police officers.
- Human Resources
 - Under a – Included in M.1. above is an unidentified amount for tuition reimbursement benefit as defined in Ordinance 91, Series 2003 and in accordance with the current Tuition Reimbursement Policy
- Office of Internal Audit
 - Included in N.7. above is \$25,000 to purchase a Third Party Provided Tip Line and \$100,000 for additional personnel costs.
- External Agencies
 -After completion of a grant agreement/reporting requirements with Metro Louisville, disbursements at a \$25,000 level or under shall be made in a single payment. After completion of a grant agreement/reporting requirements with Metro Louisville disbursements at a \$50,000 level or under shall be made within six months. External Agency Advisory Panels for Fiscal Year 2009-10 shall be comprised of six members, three of which are appointed by the Metro Council President and three of which are appointed by the Mayor. The Metro Council President and the Mayor shall each appoint at least one member of each panel who is not an employee of Metro Government. The work of each panel shall be completed by April 30, 2010. The funds available for appropriation by the panels shall be approved by the Budget Committee no later than February 15, 2010
- General Provisions
 - Under 7 - The Louisville Metro Council requests the Louisville Metro Mayor to request a special dividend from the Water Company of \$2 million in excess of the forecasted dividend during Fiscal Year 2009-10.
 - Under 8 - The Louisville Metro Council requests the Louisville Metro Mayor to request the Downtown Development Corporation to make a payment of \$750,000 to Metro Louisville from its reserve funds by September 30, 2009.
 - Under 9 - The Louisville Metro Council requests the Louisville Metro Mayor to place static deposit funds in money market accounts with FDIC insured banks with a local presence at rates of at least 1.25% and to seek other investments allowed by State law that provide a higher rate of return.
 - Under 10 - Written monthly reports comparing actual revenue received with revenue forecasts shall be delivered within 15 days of month end to the Budget Committee Members.
 - Under 11 - If the Louisville Metro Mayor deems spending restrictions are necessary, the Louisville Metro Mayor, or his designee, shall submit a proposed budget amendment(s) contemporaneously with the implementation of the restrictions. Budget cuts, if required, will taken first from the Departments/functions deemed less Mission Critical - (starting with lowest priority ranking): Swimming Pools (44), International Affairs (43), DDC (42), Brightside (41), Housing Trust Fund (40), Criminal Justice Commission (39), Waterfront Development (38), Park Land Acquisition (37), Neighborhoods (36), Human Relations Commission (35).
 - Under 12 – The Metro Council requests a cost study be performed for fleet use and economic development programs.
 - Under 13 – The Metro Council requests the Administration to issue a Request for Proposal for Metro Investments of excess funds/long term investment plan to increase yield by at least 25 basis points.

CM Kramer was seeking further discussion in regards to Neighborhoods Operations. He stated he would seek additional information and may propose an amendment on the floor of the Metro Council Meeting on June 25, 2009.

CW Ward-Pugh and CW Green were seeking a language change with External Agency Process and could propose an amendment on the floor of the Metro Council Meeting on June 25, 2009.

Motion to incorporate proposed amendments made by Jim King and seconded by Kelly Downard

CM Fleming proposed an amendment to Item #12 and made motion to include the language, Beth Stenberg read the replacement language as:

- For general fund program expenditures in excess of \$500,000 in the Public Works & Assets and Parks & Recreation Departments, the administration shall report at least the following to the Metro Council by the end of Fiscal Year 2009-10: 1) the name and description of each service performed within the program by the Public Works & Assets and Parks & Recreation Departments, 2) full-time equivalents performing these services within these departments, 3) the current or projected total annual cost of the service (that includes all direct and indirect costs, depreciation cost and all variable and fixed costs), and 4) the per unit cost. The per unit cost and annual cost of providing the services, as defined as one or more individuals performing a task to deliver and maintain a service to the public, shall be compared to other similar services. Cost principles for state and local governments and OMB circular A-87 shall be used as a guide. The Metro Council, under its authority, may limit or withhold funding for any Departments program for which a report is not completed. The administration is authorized to contact a qualified individual up to \$85,000 to collect, compile and compare the data and produce a report. The completed report shall be posted on the Metro Government website within 30 days of the release of the report.

Ken Fleming made motion to include the read language and discussion occurred. In conclusion, it was mentioned the possibility of amending to include Streets & Roads Division. CM King and CM Fleming committed to crafting an amendment and would bring it to the floor of the Metro Council Meeting June 25, 2009. Ken Fleming withdrew his motion to include the read language.

By voice vote, the amendments to the Operating Budget were approved.

The committee voted on the ordinance as amended. By vote, the **AS AMENDED** version was sent to **OLD BUSINESS**.

VOTING RESULTS – For: 9; Against: 0; Abstain: 0; Absent: 1

For: Kenneth C. Fleming, Jim King, Kelly Downard, Hal Heiner, Cheri Bryant Hamilton, Kevin Kramer, Mary C. Woolridge, Marianne Butler, Dan Johnson

Against: (None)

Abstain: (None)

Absent: Rick Blackwell

Please note the approved As Amended version as passed out of the committee is attached

Motion to adjourn made by Ken Fleming; without objection the meeting adjourned at 6:35PM

***NOTE: Items sent to the Consent Calendar or Old Business will be heard before the full Council at the Metro Council Meeting on June 25, 2009.**

KLP